



**The Federation of NZ
SeniorNet Societies Inc**
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ANNUAL REPORT 2009

Purpose of the Federation

The purpose of the Federation is entirely to support and serve the SeniorNet Learning Centres, each of which maintain their full independence, except for their commitment to meet the Federation's Quality Assurance requirements, which are as required by the Tertiary Education Commission.

Election of Management Committee:

Committee members were elected at the 2009 AGM to fill the four positions of members who retired by rotation.

They were:

Northland	Ian Turner	Hibiscus Coast	(Re-elected)
Auckland	Ray McDonald	Eden-Roskill	(Re-elected)
Top of the South	Duncan Fuller	Nelson	(Re-elected)
Central North Island	Selwyn Jebson	Palmerston North	(Re-elected)

Election of Officers:

As required by the Federation Constitution, the following Officers for 2009/2010 were elected by the Management Committee at its first meeting (18th May):

Chairman	Ian Turner.	(Re-elected)
Vice Chairman	Selwyn Jebson	(Re-elected)
Secretary	Ray McDonald	(Re-elected)
Treasurer	Lyndsay Noble	(Re-elected)
Minute Secretary	Duncan Fuller.	(Re-elected)

Management Committee Meetings held during 2009/10:

- The management committee held face to face meetings at 1.00 pm on 18th May 2009 after the AGM and at 10.30 am 3rd Feb 2010.
- The management committee met by teleconference at 9.00 am on 13th of October and 9th of December 2009

In addition to these meetings, much communication between committee members took place by email.

The Federation -- Management

Grant Sidaway's contract as Executive officer continued throughout 2009 and has been confirmed for 2010. Grant provides all national office services and national quality assurance monitoring. This arrangement saves the Management Committee much administration detail and the need to own any equipment.

He maintains an office in Wellington and employs such support staff as he requires.

His contract, for which he receives one all-inclusive monthly payment, covers all costs necessary to run the National Office and includes:

- *National Office accommodation*
- *All office fixtures including computers, printers etc*
- *Presentation equipment – data projectors, laptops, screen, sound equipment etc.*
- *Communication – Telephone, 0800, Internet, mobile phone*
- *Postage, stationery, office consumables, printing etc.*
- *All Accounting services including arranging audit.*
- *Website hosting, development and maintenance*
- *Executive Officer salary*
- *Administration Officer salary (part-time position)*
- *Travel to Learning Centres for presentations and QA purposes*
- *Travel to Regional Meetings*
- *Travel to Tutor Training Sessions*
- *National advertising, display banners etc.*
- *All incidental costs*

A more detailed report on these activities is included below.

Negotiations with the Tertiary Education Commission:

Although Government policy saw a major reduction in funding for Continuing Education from January 2010, the base line grant for the Federation was continued.

Again we were required to submit an Investment Plan covering the years 2010 to 2012.

The Plan was accepted by the Commission.

In the Plan we sought:

- *An increase in the base grant to fund the Federation central administration and to cover general cost increases.*
- *Amounts to cover course development, improved Learning Centre accommodation, and to allow for administration, technical and tutorial support staff for the Learning Centres.*
- *A grant for a program to increase enrolments of ethnic groups other than NZ/Europeans.*

Although a grant at base line level was approved, there were no increases or one-off grants approved as were received in 2008.

The Federation is still concerned that the base line funding provided over the last years has taken no recognition of the necessary activities of the Federation central administration. Such funding was made available to the Aoraki Polytechnic when funding was channelled in that way.

At this point there is no certainty about grants for 2011 and beyond, although initial information about the development of 2011 Investment Plans for all tertiary institutions has been placed on the TEC web site..

Ministry of Social Development Grant:

We were pleased in 2009 to receive a grant of \$50,000 + GST from the Ministry of Social Development. This is the first recognition that there is a social aspect to our work. Unfortunately the fund from which we received this grant has been closed, so the grant will not be repeated.

Tertiary Education Strategy

The Tertiary Education Commission is required to carry out the Government's Tertiary Education Strategy. Once the Strategy is finalised, the Minister for Tertiary Education has no further power to influence grants to institutions.

In 2009 the new Government issued a revised Strategy which included tighter priorities for Adult Continuing Education. During the discussion stage, the Federation made a submission about the Strategy indicating that it is confident that the work of Learning Centres fits within the tighter priorities.

Lotteries Grants Board Grants:

During 2008/09 the amount of \$23,000 granted by the national Lotteries Grants Board was used as specified for general administration regional tutor training, regional meetings and travel expense to assist Learning Centre members to attend the regional meetings.

A further application for 2010 was successful, \$36,000 plus GST being approved for the same purposes. The amount granted for general administration was increased by \$10,000 + GST to \$20,000 + GST

Research Grant:

A separate grant of \$65,396 + GST was provided by the Lotteries Grants Board in 2009 for a research project. The management committee contracted the Litmus organisation to undertake the work. The objective was

"to evaluate how the SeniorNet service is meeting the needs of older adults in learning new technology and to improve an understanding of older adults' learning needs".

This was completed very successfully and the report has been widely circulated and is on the web site. We were commended by the Grants Board for the excellence of the work.

Marketing:

One of the recommendations arising from the Research Report was that we pay more attention to marketing our activities. Accordingly the management committee in January 2010 retained the Chilli Marketing Company to develop a marketing campaign. The committee met with Chilli on 23rd February and is now awaiting their recommendations. The funding for the campaign will come out of income other than the TEC grant. The overall amount to be spent will depend on how the plan develops.

Quality Assurance:

The Federation maintains procedures to meet TEC requirements to ensure that the quality of teaching and learning in the Learning Centres is maintained. This is a central feature of the visits of the Executive Officer to the Centres.

On 9th of October 2008 we had the first QA audit by the NZQA. This resulted in a positive report.

As a follow up to this, the Federation reviewed its QA Handbook during the year and distributed it to all Learning Centres for their implementation. (The Handbook is available for download from the Federation web site.)

A follow up QA audit by the NZQA was completed on 20th November 2009. We received an excellent report, which is a tribute to the work of the Executive Officer and the standard of our documentation and procedures. The audit report is available for download on the Federation web site. We have been advised that we now do not need to be audited again for two years. There was not cost for these audit.

Statistics:**Learning Centre Growth:**

Number of Learning Centres in 2009	87
Number that closed during the year:	0
Number of new Learning Centres:	2 (Mangawhai, RoseTown – Te Awamutu)

Activity Levels:

Enrolments:	2007	2008	2009
Learner Hours claimed for grants	134,614	135,627	138,960
No of enrolments in all activities	22,410	25,279	23,788
Number of Learning Centre members enrolling in courses	10,316	10,677	9,203
Average enrolments per enrolling member	2.17	2.37	2.58
Average Learner Hours attended by each enrolling member	13.17	12.91	15.1
Percentage of members enrolling in at least one course	63.2%	66.1%	64%

Demographics:					
Number of Males enrolling in courses	3,397	33%	3,419	33%	3242 35%
Number of Females enrolling in courses	6,919	67%	7,258	67%	5961 64%
Number under the age of 50	0		0		0
Number age 50 and under 60	858	8%	895	8%	660 7%
Number age 60 or over	9,458	92%	9,782	92%	8543 93%
Number of New Zealanders and Europeans	10,005	97%	10,377	97.2%	8872 96%
Number of Pacifica	50	0.5%	16	0.15%	37 0.4%
Number of Asian	82	0.8%	65	0.6%	75 0.8%
Number of Maori	179	1.7%	180	1.7%	185 2%
Number of other nationality	Not recorded		39	0.4%	34 0.4%

(Note: A number of Learning Centres did not require funding, so that the total Learner Hours worked by all Federation Learning Centres was higher than noted above.)

Although the increases were small, we are pleased to report them, as they indicate the ongoing need for and popularity of, our courses. The increase in Learner Hours represents approximately an additional 280 people each attending a 12 hour course.

Financial:

The Federation audited Annual Accounts are attached.

Income:

Of note is the big drop in the grant from the Tertiary Education Commission.

We were in fact paid at the same base level as in 2008, but in 2008 an additional one off payment was made to the Federation of \$120,000.

Since the restructure of the Tertiary Education System in 2008 further funding beyond the base level is not possible.

- The Ministry of Social Development and Lotteries Research Grants are 'one offs' unlikely to ever be repeated.
- Bank Interest is down as interest rates and cash flows have been down
- Other income figures all show pleasing increases.

Income, Grants and Sponsorships from: Telstra Clear, the Group Insurance scheme, Lotteries Grants Board, Ministry of Social Development, and Lotteries Research Grant are all increases over that for 2008.

Now for the bad part

- (1) The 2010 grant from the Tertiary Education Commission is the same as for 2009. The grant we may or may not receive during 2011 is unknown.
- (2) For this reason the rate per learner hour to be paid to Learning Centres for 2010 has been reduced to \$2.00 + GST. Please note there is unlikely to be a Christmas 'wrap up'.**
- (3) **The Ministry of Social Development Grant** and the **Lotteries Research Grants** are "one offs" and are not likely to be repeated.
- (4) **Reduction in interest income.** The Tertiary Education Service now pays us at more regular intervals. Therefore there has not been the build up of cash able to be placed to Term Deposit.

Expenditure:

Will always show an increase in expenditure in the present economic climate

Audit expenses

The Auditors: “had an increase in expenses and they (costs) had not increased in two years.”

Executive officers contract payments were increased

(a) The Lotteries grant provided for the increase

(b) The Management Committee believed the contract should be increased.

Grants to Learning Centres

(The “No GST” and “GST” entries are the ex GST amounts paid to Centres that are not, or are, registered for GST.)

Learning Centres received 92% of the TEC grant monies paid to the Federation.

(In 2008 only 74.7% was paid out. We held funds back knowing that in 2009 and probably in future years less money would be available.)

Lotteries Research Grant**(Also appears as Income)**

The company that was engaged to do the research work provided a detailed quote before the Lottery Grants Board approved the funding. You will see that the income and expenditure almost equated and therefore there was miniscule cost to the Federation.

Marketing – Printing

The Federation provided Learning Centres with brochures and Quality Assurance wall plaques. The brochures have been well received and have assisted with marketing learning centres.

Meeting and Travelling Expenses

The considerable increase was due to extra meetings relating to the Quality Assurance Audit and two additional committee nominees attending the AGM.

Regional Meeting Expenses and Volunteer Reimbursements

These were met from a specified grant from the Lotteries Grants Board.

Learning Centre Finances:

An analysis of figures (which include GST) provided by Learning Centres is as follows:

	2009	2008	2007
Income from Membership Subscriptions:	\$320,076	\$290,759	\$325,792
Income from Course Fees:	\$316,519	\$310,778	\$310,793
Federation Grants: (inc GST where app.)	\$391,535	\$453,382	\$277,755
Other grants	\$191,904	\$333,248	(
Other income (2008: Interest)	\$67,057	\$ 95,807	(\$305,567
TOTAL:	\$1,287,091	\$1,483,973	\$1,219,907
Cost of rents:	\$327,059	\$324,669	\$323,871
Other costs of running learning activities:	\$685,388	\$733,816	\$674,468
TOTAL:	\$1,012,44	\$1,058,485	\$998,339
Surplus before Depreciation:	\$274,644	\$425,488	\$221,568

Allowance for Depreciation:	\$370,404	\$364,266	\$350,788
Surplus (Deficit) after Depreciation:	(\$95,760)	\$61,222	(\$129,220)

Notes:

- These figures have a high degree of credibility because of their consistency.
- 2009 income was substantially down on 2008 (by almost \$200K).
- Of concern has been the reduced success in obtaining grants from local sources.
- A greater number of learner hours has been worked at lower cost than for 2008.
- On average the 87 Learning Centres had a surplus of \$3K before depreciation, but a loss on average of \$1K after Depreciation.

National Office Activity:

The following tables represent a summary of the National Office and Executive Officer's activities for 2009. In almost every category an increase in activity compared with 2008 is noted. It is pleasing to report that the benefits to members with additional special offers increased by approximately 11%. By far the largest take-up from members is the special deals obtained with Microsoft and Adobe products.

Feedback from Learning Centres during 2009 suggested a move toward more consistent training resources would be desirable. The National Office has sourced a number of organisations willing to participate in the supply of training resources to Learning Centres at reduced rates. To provide an early opportunity for Learning Centre Tutors to understand the new operating system, Windows 7, the Federation was able to fund the production of a professionally produced training DVD which was sent to all Learning Centres in October. The Federation is committed to providing further training resources to Learning Centres on a range of subjects in 2010

The Executive Officer undertook a total of 74 presentations to groups throughout the year, 50 of these were to Learning Centres. The positive feedback from Learning Centres suggests the presentations are welcomed by members and play an important role in motivating members to keep the learning process going with emerging new technologies.

TelstraClear Ltd have provided valuable funding to the Federation and in 2009 an additional \$5,000 above the 2008 figure was gratefully received. In addition, TelstraClear continue to offer significant discounts to SeniorNet Learning Centre members by way of association deals with internet and telephone services. TelstraClear also provide free teleconferencing services enabling the Federation Committee to conduct regular teleconferences at no cost. The association the Federation has with TelstraClear in now in its fourth year, we thank them for their interest and financial contributions.

Late in 2009 an association was forged with the Retirement Commission to assist them with marketing of their website www.sorted.org.nz .In particular helping building awareness programs for the 60 plus campaigns the commission will be conducting. The revenue gained from this marketing campaign will greatly assist the Federation in 2010.

2008	2009	Communications (email, phone, website)
4,161	4,316	Inbound calls on 0800 SENIORNET
15,895	22,876	Inbound call minutes on 0800 SENIORNET
5924	6,415	Emails received
7919	9,189	Emails sent
73	81	Average visits per day on www.seniornet.co.nz
4.32	4.45	Average visit duration on www.seniornet.co.nz
234	293	Average page views per day

2008	2009	Financial Activity Managed
\$635,360	613,143	Total Income (68% from TEC funding)
\$579,385	628,701	Total Expenses (65% to fund Centres)
311	596	Payments processed
330	362	Invoices dispatched

2008	2009	Out of Office Visit & Presentations
9	10	Regional Meetings
8	10	Tutor Training Sessions
47	50	Learning Centre Visits
6	4	Other Community Groups

2008	2009	Take-up of Special Offers
829	1,056	Software items purchased (77% MS Home and student 2007)
\$74,562	\$96,765	Total saving over retail price of software
550	220	Number of text books purchased

\$9,624	\$3,300	Total saving over retail price of book
143	115	Seats booked with NZSO concerts
\$4,650	\$3,228	Total savings with NZSO bookings
1344	1280	Flash Drives purchased (1,4 & 8 GB)
\$16,915	\$16,640	Total savings over typical retail price of Flash Drives
68	73	Learning Centres included with Group Insurance Scheme
\$17,000	\$19,929	Total savings for Learning Centre partaking in the Group Insurance Scheme (\$275 per Centre)
\$122,751	\$136,562	Total Savings achieved by the Federation for participating Learning Centres and their members .

From figures extracted from the tables above and from the audited financial report, Learning Centres and their members collectively invested a total of \$15,000 (approx) by way of subscriptions. for a return of, \$544,000 (approx), this includes \$408,000 (approx) grants to Learning Centres and \$136,000 (approx) value added savings though the various special offers made available to members. The Federation is very pleased with this financial return to its member societies, which is in line with the return achieved in 2008.

Chairman Date

Executive Officer Date